GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1804
ANSWERED ON:24.08.2007
EQUITY INVESTMENT SCHEME BY IDBI
Athawale Shri Ramdas

Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Development Bank of India (IDBI) has started equity investment scheme; and

(b) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): No, sir. IDBI has not started any `Equity Investment Scheme`. However, it acquired equity shares in cornpanies mainly on account of lending operations, viz. direct subscription /underwriting as part of its earlier project financing activities besides conversion of dues into equity while restructuring the liabilities of weak companies. Equity is also acquired as. part of strategic investment in other institutions. IDBI also selectively subscribes to equity of companies having upside potential during their IPOs as also as part of Secondary Market Operations.